

## Message Text

PAGE 01 STATE 189928

70

ORIGIN EB-11

INFO OCT-01 ARA-16 EUR-25 EA-11 IO-13 ISO-00 CIAE-00

DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10 PA-03

RSC-01 PRS-01 SPC-03 SS-15 USIA-15 ACDA-19 COME-00

FMC-04 CG-00 COA-02 DLOS-06 OMB-01 TAR-02 TRSE-00

INT-08 AF-10 NEA-10 DOTE-00 /210 R

DRAFTED BY EB/MA:RKBANK:VLV

APPROVED BY EB/MA:RWEBB

EUR/NE - MS. PINKNEY

----- 050727

P R 242147Z SEP 73

FM SECSTATE WASHDC

TO AMEMBASSY OSLO PRIORITY

INFO AMEMBASSY CARACAS

AMEMBASSY BRASILIA

AMCONSUL RIO DE JANEIRO

AMEMBASSY LIMA

AMEMBASSY LONDON

AMEMBASSY BUENOS AIRES

USMISSION GENEVA

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

C O N F I D E N T I A L STATE 189928

E.O. 11652: GDS

TAGS: ETRN, NO,

SUBJECT: VISIT OF NORWEGIAN SHIPPING REPRESENTATIVES

REF: (A) OSLO 3199; (B) OSLO 3338; (C) CARACAS 7879;

(D) STATE 189868, OCT 18, 1972

1. SUMMARY. NORWEGIAN SHIPPING DELEGATION VISITED  
WASHINGTON ON SEPT 12 AND 13 AND DISCUSSED: (1) THE DELE-  
CONFIDENTIAL

PAGE 02 STATE 189928

GATION'S VISIT TO FOUR LATIN AMERICAN NATIONS (ARGENTINA;  
BRAZIL, PERU AND VENEZUELA) EARLIER THAT WEEK; (2) BILAT-  
ERALISM, ESPECIALLY US POOLING AND OTHER EQUAL ACCESS  
AGREEMENTS IN SOUTH AMERICA; (3) OIL CARGO PREFERENCE

LEGISLATION NOW BEFORE CONGRESS; AND (4) CURRENT US SHIPPING POLICIES VIS-A-VIS CUBA AND NORTH VIETNAM.

2. THE NORWEGIAN DELEGATION CONSISTED OF JOHANNES DALSTO, DIRECTOR GENERAL FOR SHIPPING IN THE MINISTRY OF COMMERCE AND SHIPPING; DAVID VIKOREN, OF THE NORWEGIAN SHIPOWNERS ASSOCIATION; FRODE NILSEN, FROM THE FOREIGN MINISTRY. ACCOMPANIED BY NORWEGIAN EMBASSY REPS, THEY CALLED ON DEPUTY ASSISTANT SECRETARY WALDMANN AND DEPTOFFS SEPT 12.

3. CONCERNING THEIR LATIN AMERICAN DISCUSSIONS, NORWEGIANS INDICATED THEIR MAIN CONCERN WAS GROWTH OF BILATERALISM WHICH THEY SAW EXEMPLIFIED BY EQUAL ACCESS AGREEMENTS BETWEEN US AND LATIN CARRIERS. THEY ADDED THAT FMC APPROVAL OF THESE AGREEMENTS GAVE THEM A US GOVERNMENTAL BACKING WHICH ENCOURAGED THE LATINS IN THEIR DISCRIMINATORY POLICIES. IN FOUR COUNTRIES THEY VISITED THEY WERE IMPRESSED BY STRONG NATIONALISM AND SUPPORT FOR THE 40-40-20 PRINCIPLE FOR CARGO SHARING (40 PERCENT FOR EACH OF THE TWO TRADING NATIONS, AND 20 PERCENT FOR ALL THIRD FLAGS), THE LAFTA AGREEMENTS, AND DOMESTIC LEGISLATION, UNDER WHICH THIRD FLAGS WOULD RECEIVE RELATIVELY LITTLE. LATIN POLICIES HAVE ADVERSELY AFFECTED NORWEGIAN CARRIERS IN THESE TRADES (WHICH OPERATE AS THIRD FLAGS). AS AN EXAMPLE THEY CITED THE PLIGHT OF THE WESTFAL-LARSEN LINE IN THE PERU-WEST COAST US TRADE.

4. NORWEGIANS ASKED WHETHER US WAS CHANGING ITS BASIC OPPOSITION TO SHIPPING BILATERALISM. NORWEGIANS EXPRESSED SPECIAL CONCERN THAT BILATERAL TREND COULD SPREAD TO OTHER REGIONS, AND POINTED TO JAPAN AS SUBJECT TO INCREASING PROTECTIONIST SENTIMENT IN SHIPPING POLICY. WE NOTED THAT WE HAVE NOT ACCEPTED THE PRINCIPLE OF BILATERALISM AND THAT OUR AGREEMENT WITH THE SOVIET UNION WAS A UNIQUE SITUATION, AS WE HAD EXPLAINED PREVIOUSLY (REF D). AS TO POOLING AND EQUAL ACCESS BETWEEN US AND LATIN CARRIERS, WE RECALLED CONFIDENTIAL

PAGE 03 STATE 189928

TRADITIONAL US SKEPTICISM OF POOLING AGREEMENTS AND CONSTRAINTS ON FMC WHEN CONSIDERING POOLING AGREEMENTS SUBMITTED FOR APPROVAL. HOWEVER, LATIN AMERICAN GOVERNMENT DISCRIMINATORY ACTIONS HAD SERIOUSLY INJURED US CARRIERS, WHICH HAD TRADITIONALLY PARTICIPATED SUBSTANTIALLY IN THESE TRADES, AND WE CONCLUDED THAT POOLING AND EQUAL ACCESS AGREEMENTS, BY WHICH US CARRIERS MAY PARTICIPATE IN CARRIAGE OF CARGOES OTHERWISE RESERVED TO NATIONAL FLAG, WERE LEAST OBJECTIONABLE RESPONSE. THEORETICALLY AT LEAST, THIRD FLAG CARRIER IS NOT AFFECTED BECAUSE IT WOULD NOT HAVE ACCESS TO LATIN RESERVED CARGOES IN ANY EVENT. WE RECOGNIZED NEVERTHELESS THAT EVER BROADER LATIN CARGO RESERVATION MEASURES, EXTENDING TO CARGO WELL BEYOND THOSE USG CLASSIFIES AS GOVERNMENT CONTROLLED, HAS GIVEN THESE

POOLING EQUAL ACCESS AGREEMENTS A BILATERALIST COLORATION  
WE HAD NOT FORESEEN.

5. WE REMINDED NORWEGIANS THAT WE HAD OFTEN VIGOROUSLY PRO-  
TESTED TO LATIN AMERICAN GOVERNMENTS, THROUGH DIPLOMATIC  
CHANNELS, ABOUT THEIR DISCRIMINATIONS. IN DOING SO WE HAD  
EMPHASIZED IMPORTANCE OF NON-INTERFERENCE WITH COMMERCIAL  
CARGOES, VALUE OF MAINTAINING COMPETITION IN THE TRADE,  
AND THE CONTRIBUTION OF THIRD FLAG CARRIERS THEREIN, IN  
ORDER TO ASSURE THE BEST SHIPPING SERVICE FOR OUR SHIPPERS

(OR FOREIGN TRADERS). WE SAID THAT WE WOULD BE VERY CON-  
CERNED IF THE POOLING AND EQUAL ACCESS AGREEMENTS WERE  
LESSENING THE SERVICE TO THE TRADE. AS FAR AS WESTFAL-  
LARSEN WAS CONCERNED, WE WOULD BE INTERESTED IN CONCRETE  
EVIDENCE THAT THEY HAD SUFFERED INJURY AS DIRECT RESULT OF  
POOLING-EQUAL ACCESS AGREEMENT. NORWEGIANS REPLIED ONLY  
THAT WESTFAL-LARSEN CARGO IN US WEST COAST-PERUVIAN TRADE  
HAD DROPPED TO 20-30 PERCENT OF ITS FORMER TONNAGE, AS  
RESULT OF BILATERAL POOL.

6. WE RECALLED TO NORWEGIANS THAT LINER CONFERENCE PRAC-  
TICES IN OTHER PORTS OF WORLD HAD RESULTED IN EXCLUSION OF  
US-FLAG CARRIERS FROM CERTAIN TRADES. PRACTICAL EFFECT  
WAS SAME WHETHER EXCLUSION/DISCRIMINATORY PRACTICES  
ORIGINATED WITH COMMERCIAL PARTIES OR WITH GOVERNMENTS.  
CONFIDENTIAL

PAGE 04 STATE 189928

7. NORWEGIANS INQUIRED ABOUT PROSPECTS FOR AND OUR ATTIT-  
TUDE TOWARD BILL CURRENTLY BEFORE CONGRESS ON US-FLAG  
CARGO PREFERENCES FOR OIL IMPORTS. THE NORWEGIANS, NOTING  
THAT OVER 50 PERCENT OF THEIR TOTAL MERCHANT FLEET WAS  
TANKER TONNAGE, SAID THAT PASSAGE OF THE OIL PREFERENCE  
LEGISLATION WOULD NOT ONLY DIRECTLY SERIOUSLY AFFECT  
THEIR INTERESTS BUT WOULD SHARPLY ACCELERATE THE TREND  
AMONG OIL-EXPORTING COUNTRIES TO ADOPT CARGO RESERVATION  
MEASURES. THEY NOTED THAT THEY WOULD RAISE THIS SUBJECT  
ALSO IN MEETING WITH CONGRESSIONAL STAFF MEMBERS (HOUSE  
MERCHANT MARINE AND FISHERIES COMMITTEE HAS SCHEDULED  
HEARINGS TO BEGIN OCT 9). WE TOLD NORWEGIANS THAT IT WAS  
TOO EARLY STILL TO PREDICT OUTCOME OF BILL BUT THAT DEPT,  
AS IN 1972, WOULD AGAIN OPPOSE THE BILL.

8. AS TO CUBA AND NORTH VIETNAM, THE NORWEGIANS POINTED  
OUT THAT IN LINE WITH US POLICIES VIS-A-VIS SHIPPING TO  
THOSE COUNTRIES NORWEGIAN SHIPOWNERS HAVE VOLUNTARILY  
REFRAINED FROM CALLING ON CUBAN AND NVN PORTS. HOWEVER,  
NORWEGIAN SHIPOWNERS, ESPECIALLY IN LIGHT OF POLITICAL  
DETENTE WORLDWIDE AND CHANGING ATTITUDES TOWARD CUBA IN  
LATIN AMERICA, WERE KEENLY INTERESTED IN A POSSIBLE CHANGE  
IN US POLICY ON THE SHIPPING EMBARGO. THE NORWEGIANS  
REPORTED THAT THE VENEZUELANS TOLD THEM THAT VENEZUELA NOW

HAD A MAJORITY IN OAS TO OVERTURN THE ANTI-CUBAN RESOLUTIONS. WE INFORMED THE NORWEGIANS THAT, ALTHOUGH ALL POLICIES HAD TO BE REVIEWED PERIODICALLY IN LIGHT OF CHANGING WORLD CIRCUMSTANCES, OUR POLICIES VIS-A-VIS SHIPPING TO NVN AND CUBA HAVE NOT CHANGED. WE DID STATE THAT SHOULD THERE BE ANY CHANGE, WE WOULD LET THEM KNOW AT THE EARLIEST PRACTICABLE OPPORTUNITY.

9. THE NORWEGIANS RAISED LARGELY THE SAME ISSUES DURING OTHER CALLS IN WASHINGTON, I.E., THE MARITIME ADMINISTRATION (MARAD), FEDERAL MARITIME COMMISSION (FMC), STAFF OF

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 10 MAY 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 SEP 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STATE189928  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EB/MA:RKBANK:VLV  
**Enclosure:** n/a  
**Executive Order:** 11652 GDS  
**Errors:** n/a  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730963/abqceiri.tel  
**Line Count:** 173  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) OSLO 3199; (B) OSLO 3338; (C) CARACAS 7879; (D) STATE 189868, OCT 18, 1972  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:** ANOMALY  
**Review Date:** 08 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08-Aug-2001 by worrelsw>; APPROVED <16-Aug-2001 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VISIT OF NORWEGIAN SHIPPING REPRESENTATIVES  
**TAGS:** ETRN, NO  
**To:** OSLO INFO CARACAS  
BRASILIA  
RIO DE JANEIRO  
LIMA  
LONDON  
BUENOS AIRES  
GENEVA

PARIS  
STOCKHOLM  
TOKYO

**Type:** TE

**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005